

## **Assembly Joint Resolution No. 5**

### **RESOLUTION CHAPTER 29**

Assembly Joint Resolution No. 5—Relative to transportation.

[Filed with Secretary of State June 8, 2011.]

#### **LEGISLATIVE COUNSEL’S DIGEST**

AJR 5, Bonnie Lowenthal. Transportation revenues.

This measure would request the President and the Congress of the United States to consider and enact legislation to conduct a study regarding the feasibility of the collection process for a transportation revenue source based on vehicle miles traveled, in order to facilitate the creation of a reliable and steady transportation funding mechanism for the maintenance and improvement of surface transportation infrastructure.

WHEREAS, The primary source of funding for transportation in the United States is derived from a variety of excise and sales taxes on gasoline and diesel fuel collected by either the federal government, or state or local governments; and

WHEREAS, The excise tax on gasoline and diesel fuel (fuel tax) is not indexed to inflation or any other factor, and as a result, its value erodes with inflation over time; and

WHEREAS, While the demand for transportation continues to grow, the value of the fuel tax is diminishing, and is therefore becoming an increasingly inadequate source of revenue to fund transportation projects and programs; and

WHEREAS, Aside from inflation, there is a need for the creation of supplements or alternatives to the fuel tax as a source of revenue for transportation projects and programs due to a combination of other factors, including the declining supplies of conventional petroleum-based fuels, increasing numbers of vehicles powered by nonpetroleum-based fuels, and increasing numbers of fuel-efficient vehicles; and

WHEREAS, There is growing disparity in the revenue needed to fund the protection and improvement of our transportation system and the revenue available for those purposes; and

WHEREAS, Vehicle-miles-traveled (VMT) fees have received increasing attention in recent years as a potential supplement or alternative to the fuel tax; and

WHEREAS, The most recent multiyear federal transportation authorizations act, the Safe, Accountable, Flexible, Efficient Transportation Equity Act—A Legacy for Users (SAFETEA-LU), established the National Surface Transportation Policy and Revenue Study Commission (commission) to examine the condition and future needs of the nation’s surface

transportation system, as well as short- and long-term alternatives to the fuel tax; and

WHEREAS, The commission, in its December 2007 report, recommended consideration of a VMT fee; and

WHEREAS, Implementing a VMT fee would involve a number of operational, technological, and institutional challenges, including determining the method for calculating the mileage driven, the process by which mileage data is transmitted to a tax collection agency, contingencies to address potential equipment failures, adequate privacy protections, and a strategy for transitioning from the fuel tax to a new method of highway user payment; and

WHEREAS, Data on deployment of a VMT fee exists through the State of Oregon's recent VMT pilot program; now, therefore, be it

*Resolved by the Assembly and the Senate of the State of California, jointly,* That the President and the Congress of the United States are respectfully requested to consider and enact legislation to conduct a study regarding the feasibility of the collection process for a transportation revenue source based on vehicle miles traveled, in order to facilitate the creation of a reliable and steady transportation funding mechanism for the maintenance and improvement of surface transportation infrastructure; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Majority Leader of the Senate, and to each Senator and Representative from California in the Congress of the United States.